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Your 629. As you know, question of approach to negotiations under continuing discussion among Four Powers. Under the circumstances, DEPT desires you confine your comments on negotiations to position set forth by Secretary Rusk in his joint press conference with Secretary Dillon August 22.

(Full text sent Moscow same day in Wireless file.)

Should subject of air corrdors arise in connection with Soviet note of August 23, suggest you comment merely that White House statement of August 24 speaks for itself. (Available Moscow Wireless file SEF August 24.)

We would also hope opportunity would arise for registering point that irresponsible actions East German leaders inevitably tending raise tension to dangerous level, thus moving whole German problem towards situation which neither West nor presumably Soviets desire.

DEPARTMENT OF STATE A/CDC/MR

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## DEPARTMENT OF STATE

AUGUST 22. 1961

## FOR THE PRESS

NO. 587

JOINT RUSK-DILLON NEWS CONFERENCE OF AUGUST 22, 1961

The following is the State Department's release of the joint news conference held today by Secretary of State Dean Rusk and Secretary of the Treasury Douglas Dillon, which is authorized for direct quotation:

MR. WHITE: Gentlemen, since there are a number of correspondents who are not our regulars here, let me just go through the ground rules once again for everyone.

Everything said at this conference, with the exception of opening remarks, which will be available for you at the close of the conference, must be treated in the third person until we can make available to you the official transcript of the conference. This, of course, holds true for film and for radio taping of what is said here.

SECRETARY RUSK: One of the first of the urgent tasks to which President Kennedy turned his hand when he assumed office was that of fresh initiatives in our relations with Latin America. We asked Congress for immediate appropriation of the \$500 million for the Bogota program for social progress which had been recommended by President Eisenhower and the \$100 million for the Chilean earthquake relief. And we were very pleased that the Congress acted promptly on both those requests.

You will recall that on March 13th, the President addressed the Latin American diplomats at the White House in which he put special attention upon the need for massive efforts to develop this hemisphere in its economic and social life and developed that further in his address of April 14th at the Council of the Organization of American States.

One of the most important stages in the Alliance for Progress has just been completed near Montevideo. The ministerial meeting of the Inter-American Economic and Social Council has just concluded its deliberations there and has laid the foundation for a greatly expanded effort in this hemisphere to get on with the great task of economic and social development.

The United States delegation was led by our distinguished Secretary of the Treasury, Mr. Douglas Dillon, and we are very pleased to have him as our guest today in order to be able to give you his comments on that meeting and to take your questions about how he sees the Alliance for Progress.

Secretary Dillon,

SECRETARY DILLON: Thank you, Dean,

I have a brief statement here which I would like to read first, Copies will be given to you afterwards, setting the framework for what I think was accomplished at Punta del Este.

I can say

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Q. On the Berlin issue, now that the last incident in Berlin seems to have reached a conclusion for the moment, and there has been so much talk of negotiation between the East and the West, is there as yet any discussion among the three Western allies of at least making an approach to the Soviet Union about having further negotiations? Has it gone that far as yet?

SECRETARY RUSK: The problem of Berlin, including the problem of negotiations, has been discussed among these allied governments for some weeks now. Indeed, the discussions began at the time of the aide-memoire which we received in Vienna. So that there is nothing, I think, new to add. This question of negotiation is one which is before governments. It is being discussed among them, and will in due course be discussed with the Soviet Union.

q. Well, is it correct to say, then, that there has been no impetus given to the possibility of negotiations by the closing of the frontier?

SECRETARY RUSK: I would think that the problem of negotiations is independent of that particular episode.

Q. Mr. Secretary, at a news conference in West Berlin today West German Chancellor Adenauer said he thought his government should not take the initiative and he said he thought the initiative should be taken by the United States. Would you agree with that approach?

SECRETARY RUSK: I think that is something that will come out in due course as a result of our discussions with governments, including the Government of the Federal Republic of Germany.

Q. Mr. Secretary, according to latest reports, especially from London, it seems that President de Gaulle is increasingly opposing an approach to the Russians. And according to the last report this afternoon on the tickers, it says that "diplomatic officials in London said the United States and Britain as a result may feel compelled to move on their own in search of a negotiating framework with the Soviet Union." Would you care to comment on that?

SECRETARY RUSK: Yes. These reports illustrate exactly why we can say so little about negotiations in advance of negotiations. I mean, if the views or attitudes are to be discussed publicly, negotiations become very difficult. I am not now attesting to the truth or falsity of these particular reports. But discussions are going on among governments. And there will be negotiations and there will be negotiating positions. But these must be handled with considerable care if they are to be successful.

Q. Mr. Secretary, it seems to me that our allies and ourselves are talking about two things. It's been mentioned in, I think Walter Lippmann, and the British newspapers have been talking about the so called "undeclared policy" which says that a split in Germany is not entirely a bad thing, that this is popular among the people of France and Britain too, also of Russia. And here we are calling for unification of Germany, almost alone. Is this not a thing that is beyond the discussion of negotiations, whether or not we are going to take these positions? Is this not a basic sort of policy split between us and our allies?

SECRETARY RUSK: I don't find a policy aplit on that question of self-determination. If you will look at the agreed inter-allied notes,

aide-memoires,

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aide-memoires, protests, I think you will find that the principle of self-determination is fully laid out there, and that was done on a basis of tripertite and quadripartite agreement. I would not myself recognize these deep policy differences which have been speculated upon.

Q. Mr. Secretary, you have said on several occasions now that there will be negotiations. Do you have assurances from the Soviet Union, formal assurances or otherwise, or from the French, that they are ready for negotiations on this point?

SECRETARY RUSK: This is a prediction, when I say that there will be negotiations. I cannot imagine that responsible governments will let this matter come to a very sharply heightened crisis without discussions among them. There indeed have Leen discussions among governments already. The exchange of notes is itself a part of negotiation, although not a very productive one in terms of reaching agreement. These public exchanges of notes have indicated the nature of the differences. But there will be negotiations as a matter of, I think, prudent conduct of governmental business.

Q. And you mean beyond an exchange of notes?

SECRETARY RUSK: Well, there are many forms which it might take. yes.

Q. Mr. Secretary, could you say what part General Clay will play in the future of these negotiations and the future of Germany?

SECRETARY RUSK: No, I have no comment on that.

We were delighted that he was able to go to West Berlin with the Vice President, and I recall very vividly the role he played in the first Berlin blockade, when I was also in Government at that time. But I have nothing on the other point.

Q. Mr. Secretary, what is the position of the United States regarding the upcoming conference of neutrals in Belgrade? And more specifically what do we hope comes of it?

SECRETARY RUSK: We have not ourselves either encouraged or discouraged governments from attending. This is something which is for them to decide. One of the interesting points will be to see to what extent governments -- whose principal characteristic is that, as far as this meeting is concerned, they do not have very sharp commitments to the two major blocs -- find elements in common, find that this alone or this feature gives them a common point of view. After all, they are located in different parts of the world, in different circumstances, and it will be interesting to see how that works out. But they each have commitments to their own national interests. They have commitments to the Charter, most of them. We would suppose that they could have a very useful meeting there, and we will be following it, of course, with interest. But we are not participating or trying to influence it.

o. Sir, in line with what you have just said about the conference how do you assess the presence of Cuba there?

SECRETARY RUSK:





SECRETARY RUSK: That is one of the intriguing questions. (Laughter) Thank you very such.

Q. Trenk you very much.

State--RD, Wash., D. C.

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